



STAFF MEMO

TO: Planning and Zoning Commission

THROUGH: George Gehlert, Community Development Director

FOR: Hearing of March 17th, 2008

SUBJECT: **PCU 08-002 Proposal to Re-Process Slag at the V.V. Fairgrounds**
APN 406-42-097M (a portion of).
Owner: Verde Valley Fair Assoc.
Applicant: Minerals Research & Recovery, Inc. Agent: Thomas C. Oakes.

The applicant is requesting approval of a Conditional Use Permit for placement of a materials processing plant for re-processing and removing the existing slag pile. The site includes a 12.25 acre portion of the Verde Valley Fair Association property north of Hwy. 89A between 6th and 12th streets in a C-F (Community Facilities) zone.

The request also includes:

- Alternative surfacing improvements for interior parking and access areas as set forth by the Cottonwood Zoning Ordinance Section 406.C.2.c.
- Placement of 80-foot tall storage silos and catwalk structures.
- 24-hour operation when necessary.

The site exists as the westernmost portion of the Verde Valley Fairgrounds, all of which is zoned CF (Community Facilities). There are no district standards associated with development in this zone (setback, building height, etc.).

The property is bounded to the west and south by commercial and industrial uses, zoned I-2 (Heavy Industrial), including an auto salvaging facility, an industrial subdivision and an existing sand and gravel operation. The Verde Valley Fairgrounds is located to the east (zoned CF). Areas to the north include the VFW lodge (zoned CF); and a self storage facility and offices (zoned PAD). A residential area (zoned R-1) located west of 12th Street between Aspen and Birch Streets, also exists roughly 1,300 feet east of the center of the proposed operation. The outer edge of the slag pile is roughly 600-800 feet from this area.

The proposal would establish rock crushing equipment, conveyors, silos and a bagging facility at the site. In order to enable some screening of equipment and sound, the rock crusher would be set within a “bowl” excavated into the SW corner of the pile. The center of the pile will also be channeled to enable placement of cat walk structures north to the silos and bagging facility at the north end of the site, adjacent to the VFW lodge. Excavated material will be loaded from the pile onto the conveyor system that will bring the slag to the north side of the site to the bagging facility. The silos and bagging facility will be located roughly 1,000 feet west of the residential area, in plain view.

Ten to fifteen trucks would visit the site daily. Access to the site would be provided from a private driveway which extends north to Aspen Street. The applicant intends to transport processed materials north to Aspen Street, west to Sixth Street, and south to 89A.

Processed slag would be used in the manufacture of asphalt shingles, asphalt paving, concrete and as media for sand blasting. The re-processing activity would last an estimated 15 years. The initial set up and construction process would take about 6 months.

Public Review

By code, Conditional Use Permits are subject only to review by the Planning and Zoning Commission. No City Council action will be required, unless appealed.

Staff provided the City Council with an update and advisory regarding this request on January 24th at which time the Council directed that a community meeting be held (February 13th). Notices regarding that meeting, as well as the Commission’s meeting on February 25th, were mailed to all persons owning property within 500 feet of the fairgrounds property (approx. 170 property owners). About 26 people attended the Feb. 13 meeting. Only a few attended the P&Z hearing on Feb. 25th. The summary of the community meeting is attached for your review.

The proposal was initially part of the P&Z Commission’s agenda on January 28th, at which time the Commission held the application over to allow additional time for the Feb. 13th community meeting and for the applicant to provide site details and further address the noise issue. On February 25th the Commission again tabled the request, directing Staff to hold a second community meeting. As directed, public notices regarding the second community meeting (March 10th), as well as the Council update (March 11th) and third P&Z Commission hearing (March 17th) were mailed to all property owners within 1,000 feet of the fairgrounds property (376 mailings). A summary of the second community meeting is also attached.

During this process, Staff also visited the applicant’s current operation in Ajo, together with a representative from the P&Z Commission to get more acquainted with the existing facility setup and issues relating to visibility, dust and noise. Staff can provide photos and video clips at the hearing.

ISSUES

- **Noise:** The applicants have conducted a study of the processing noise generated on their existing Ajo site. The study determined that the decibel levels 1,000 feet away from the

operation may be in the 40 decibel range (FYI: Normal conversation is around 60 decibels). According to the sound study, this proposal meets the code requirements at the property boundary. The applicant has suggested that shrouding options may also be available to reduce sound levels further. He also believes that the biggest noise impact will be from trucks and back up alarms on machinery, which has been minimized by the design of the new facility (less backing up). Staff's field visit to Ajo revealed a surprisingly low level of noise impact associated with this use, from 1,000 feet away. Information regarding the noise generated at the site is attached and can be reviewed by the applicant at the hearing.

- **Dust, Surfacing and Drainage:** The applicants are proposing a complete dust control system. They have stated that it is in their best interest to control the dust because it can be further processed and sold. They have also stated that their dust collection system will be so sophisticated that OSHA will not require employees at the site to wear breathing apparatus. The applicants will provide further information at the hearing.
- **Toxicity:** The applicant asserts that the material is inert and poses no environmental hazard. They will hire a third party environmental specialist to perform a 2-phase analysis of the perimeter and underlying materials.
- **Alternate Surfacing Proposal:** The applicants are requesting that they be allowed to use the processed slag material in lieu of chip seal for access and parking areas, otherwise required by code. The material may also pose an opportunity for addressing some of the other dust issues which prevail elsewhere on the fairgrounds property.
- **Drainage:** Drainage will be contained within retention areas located on site.
- **24 Hour Operation:** The applicant has suggested that the plant would routinely be operated in two shifts during daytime hours, but may occasionally need to operate a third shift at night to keep pace with maintenance and sudden market demands. They have suggested an allowance of 24 nights/year. Noise and lighting impacts could affect the residential area.
- **Emergency Response:** The Fire Department has expressed some concern regarding the height of the structures and the silos and conveyor system, noting that any rescue operations could be complicated by the height of these structures. Emergency personnel would be trained on how to respond to this facility, its special equipment and access points. The Fire Department will be represented at the hearing.
- **Access Route and Street Maintenance:** The applicant is proposing to use Aspen and 6th street as their access to Highway 89A (although alternate access points are also being reviewed. There will be 10 to 20 trucks per shift accessing the site. Aspen is not built to handle the heavy traffic. The applicant has agreed to enter into a maintenance agreement for Aspen and Sixth Streets.
- **Landscape and other Buffering Improvements:** Although the applicants have submitted a proposal for landscaping adjacent to the VFW lodge, the residential area located to the

east will be in plain view of the silos and bagging facility. The applicants have agreed to provide screening and buffering improvements adjacent to this area, subject to review by the neighbors (via the Design Review Board). Consideration should also be given to how the site would be screened as the slag is removed and the operation becomes more visible to the adjacent neighborhood.

- **Water Use:** The applicants maintain there will be very little water use associated with this request. They will also be required to use reclaimed water for processing or dust control, available for purchase from the City's wastewater treatment facility.
- **Lighting:** All of the lighting on the site will be shielded. However, there will be lighting from above along the 80 foot tall catwalk structure. The applicant maintains that the lighting is minimal. Staff has requested submittal of all lighting details.
- **Security:** There will be a fence around the property but there will be no security guard.
- **Reclamation:** The applicants have agreed to contribute to a fund throughout the 15-year cycle of re-processing slag, that would mature over time and provide substantial revenues for reclamation of the site, and to guarantee specific site improvements following the termination of this use.

RECOMMENDATION:

Staff views this proposal as potentially beneficial to the City and in-line with the objectives of the City's General Plan, which encourages redevelopment of the site. The existence of the slag pile may represent an obstacle to redevelopment. If approved, the request would provide a means for clearing the slag pile and opening large acreage in the center of the City for more productive uses. As both the land and the slag itself are privately owned, the City has no other method for accomplishing or encouraging this. The re-processing activity would also provide information on the composition of the pile, a budget for street maintenance throughout the process; and for reclamation of the site at the termination of the activity.

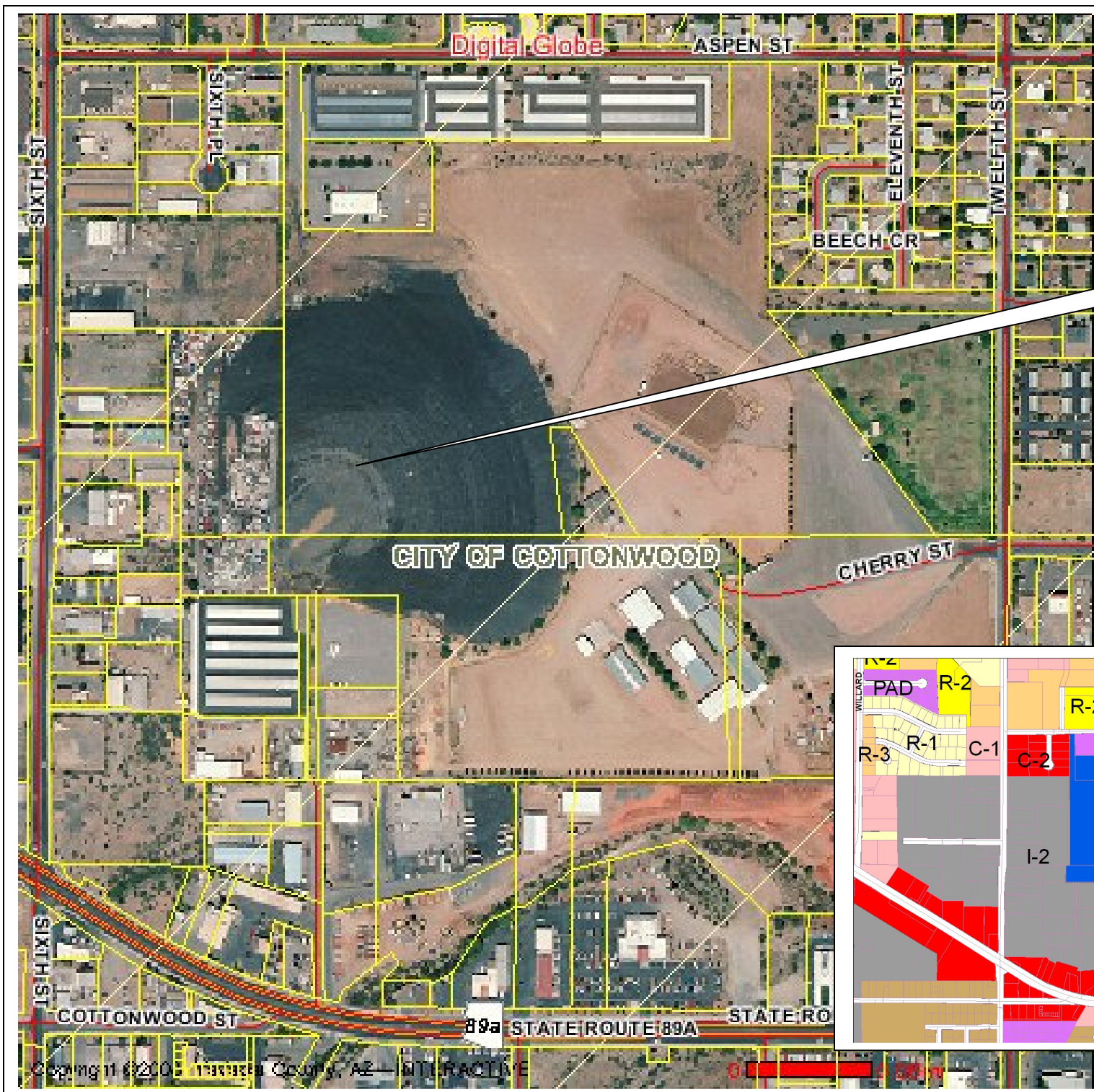
As mentioned, our visit to Ajo also revealed a surprisingly low level of noise impact associated with this use, from 1,000 feet away. However, we continue to receive concerns from nearby residents associated primarily with noise, lighting, street maintenance and dust control. There has also been much opposition to the 24-hour aspect of the request.

Processing options include trucking the slag to another site; or providing a building to enclose the facility. The applicant is suggesting these alternatives are not economically feasible.

Given the substantial setup costs associated with this proposal, a complete set of conditions should be also provided up front, with any approval. Should the Commission consider approval of the CUP at this time, Staff recommends the following stipulations:

1. Approval of the request subject to development in conformance with the site plan dated 2-14-08, subject to modifications as may be required by the Commission, the Fire Department or other Staff.
2. That all emergency response issues be addressed to the satisfaction of the Cottonwood Fire Marshal.
3. That the applicant be allowed to use the crushed slag for surfacing, in lieu of chip seal, subject to approval by the Public Works Director.
4. That an agreement be reached with the City of Cottonwood for maintenance to Aspen and 6th Street. Agreement to be approved by the City Council, Public Works Director and the City Attorney.
5. That the applicant work with the neighbors in addressing night lighting; and providing additional buffering improvements adjacent to the residential areas to the east, for review and approval by the Design Review Board.
6. That the applicant address the issue of back up beepers at the site and provide a solution that reduces impacts to residential areas.
7. That all other reasonable sound reduction measures be addressed (sound walls, enclosures, etc.).
8. That the use be limited to daytime hours only. Any night time activity is limited to 24 nights per year.
9. That the CUP be reviewed by the Commission in one (1) year.
10. Anything else the Commission deems necessary.

Enc: Aerial photo / zoning map
Letter of intent
Sound Study
Director's March 4 letter to applicant
Site plan / elevations / x-sections
Community meeting summaries



SUBJECT
PROPERTY

SUBJECT
PROPERTY

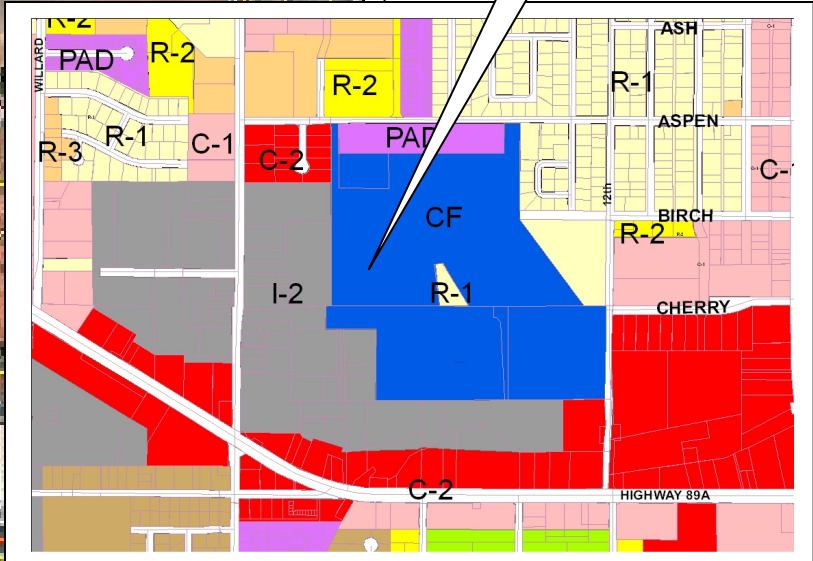
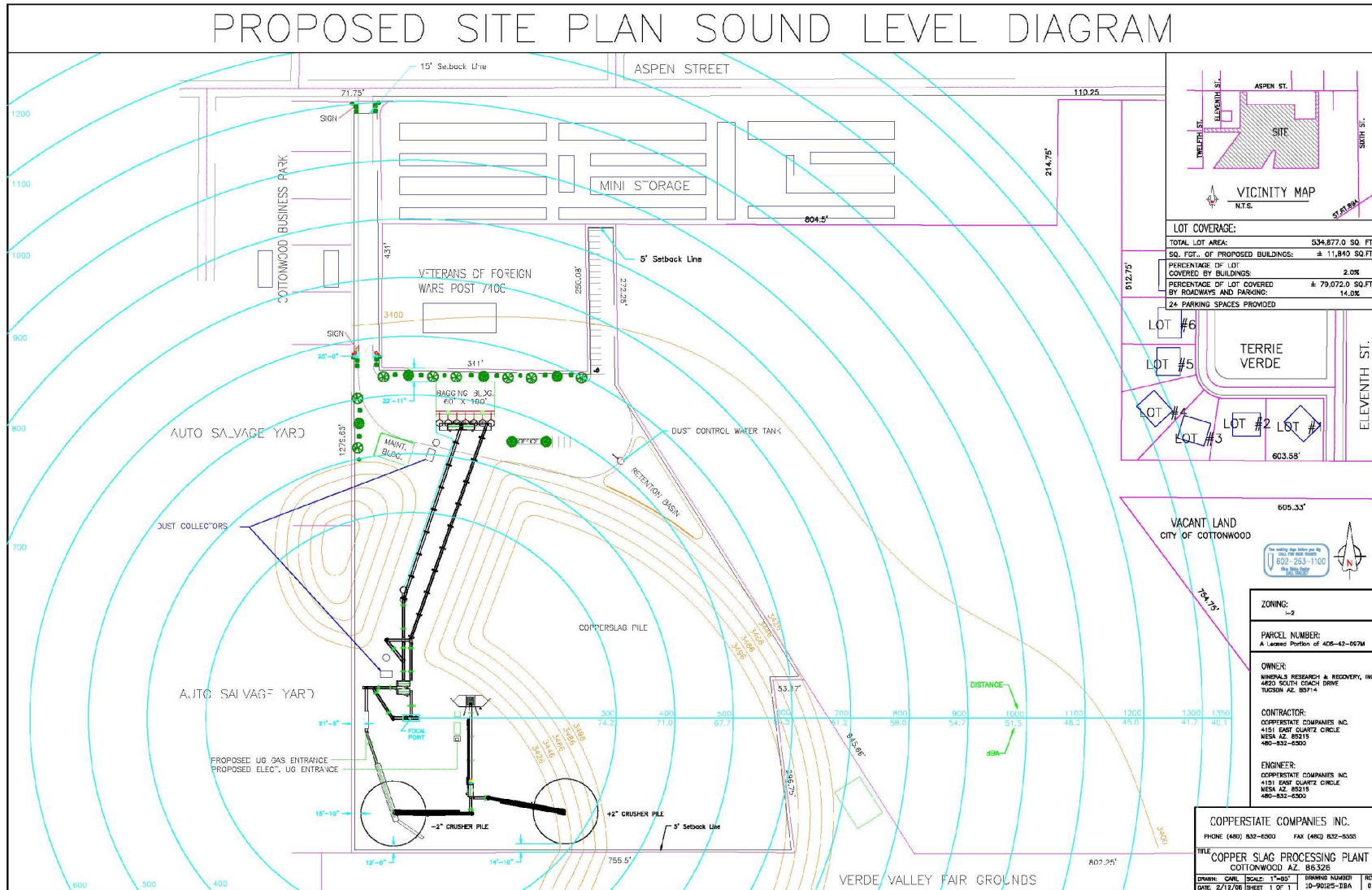


CHART OF ANTICIPATED DECIBEL RANGES IN COTTONWOOD PROPOSAL



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EXAMPLES OF SILO
STRUCTURE TO BE LOCATED
ADJACENT TO THE VFW
FACILITY

